

## U.S. Department of Commerce – Showcase of Human Capital Accomplishments

The Department of Commerce carries forth its human capital activities according to its seven established human capital standards:

- ✓ Comprehensive Human Capital Planning
- ✓ Optimized Organizational Structures
- ✓ Succession Strategies Ensure Continuous Update of Talent
- ✓ Performance Appraisal Plans Link, Differentiate, and Provide Consequences
- ✓ Reduced Under-representation and Established a Process to Sustain Diversity
- ✓ Significant Reduction in Mission-Critical Skill Gaps
- ✓ Reduced Hiring Timelines
- ✓ Established and Implemented an Accountability System

Standard	Issue/Goal	Accomplishments
<b>Comprehensive Human Capital Planning</b>	<p>The Department identified three cross-cutting human capital challenges which, if not addressed, would seriously impact its capacity to perform:</p> <ul style="list-style-type: none"><li>• High rates of turnover in mission-critical occupations (MCOs)</li><li>• Projected surge in retirements among the SES</li><li>• Need to strengthen competencies in technical, general and leadership areas to address mission changes, e-Gov initiatives, and changes to workforce such as competitive sourcing.</li></ul>	<ul style="list-style-type: none"><li>• Implemented a comprehensive human capital plan, analyzed the results and integrated them into decision-making processes to drive continuous improvement.</li><li>• Conducted workforce analyses, identified skill gaps, implemented training and development, and employed new recruitment activities to ensure technical competencies in place to meet the mission.</li><li>• Analyzed trends and changes in science and technology, business and markets, and organizational and workforce characteristics to align program portfolios and required competencies.</li><li>• Participated in providing guidance to bureaus for budget formulation that linked SHCM initiatives to the Department's budget.</li><li>• Demonstrated senior executive level commitment to implement the PMA through the active participation of Commerce executives on the President's Management Council and Chief Human Capital Officers' Council.</li></ul>

Standard	Issue/Goal	Accomplishments
<b>Optimized Organizational Structures</b>	<p>In 2002, each bureau submitted current and proposed organizational structures, followed by plans to realign and/or reorganize, which the Department and/or OMB and Congress approved. The reorganizations were designed to:</p> <ul style="list-style-type: none"> <li>• Improve decision making</li> <li>• Establish clear accountability for performance</li> <li>• Increase coordination of functions</li> <li>• Improve economies of scale</li> <li>• Flatten organizational structures</li> </ul>	<ul style="list-style-type: none"> <li>• Analyzed and optimized existing organizational structures from service and cost perspectives, using redeployment and delayering as necessary and integrating competitive sourcing and e-Government solutions, and have a process in place to address future changes in business needs.</li> <li>• Abolished or eliminated designated senior executive positions and consolidated or transferred functions, established new positions and realigned functions to establish clear lines of accountability and the time it takes to make decisions.</li> <li>• Consulted with bureaus and approved for transmittal to OPM requests for VERA/VSIP to reshape the workforce competencies, by addressing the need for current and emerging competencies based on new technologies and evolving missions.</li> <li>• Completed 21 reorganizations, realignment and restructuring activities.</li> <li>• Reorganized the Office of the Secretary, Chief Financial Officer and Assistant Secretary for Administration, consolidating functional activities, eliminating redundancies and redeploying personnel to various offices.</li> <li>• Procured and deployed Department-wide, the Quick Hire automated staffing solution with functionality to improve nationwide hiring, reducing the manpower needed to generate multiple announcements, in multiple locations.</li> </ul>

Standard	Issue/Goal	Accomplishments
<b>Succession Strategies Ensure Continuous Update of Talent</b>	<p>At the outset of the PMA, Commerce identified a number of interdependent human capital challenges:</p> <ul style="list-style-type: none"> <li>Identifying and assessing current and future competency requirements needed to achieve mission requirements</li> <li>Determining methods to ensure an effective pipeline at all levels of the organization</li> <li>Addressing systemic and organizational retention issues</li> <li>Executing effective leadership development competencies and transferring knowledge</li> </ul>	<ul style="list-style-type: none"> <li>Performed quarterly review and analyses of workforce attrition data in mission-critical occupations and by bureau</li> <li>Implemented a 2-year SES Candidate Development Program open to all departmental GS-14-15 and equivalent employees based on mission-critical occupations</li> <li>Launched a 2-year Executive Leadership Development Program open to all GS-13, GS-14 and equivalent employees</li> <li>Implemented an 18-month Aspiring Leaders Program open to all GS-9 through GS-12 and equivalent employees</li> <li>Enrolled managers in a variety of leadership development programs such as the Federal Executive Institute, Harvard University's Kennedy School of Government, American University's Key Executive Program, and the Brookings Institute.</li> <li>Lowered the average age of new hires from 41 in FY 2001 to 35 in FY 2004, ensuring the potential for increased years of service.</li> <li>Implemented a series of expert forums to leverage expert knowledge in the areas of research and analysis, strategic planning and performance measurement.</li> </ul>

Standard	Issue/Goal	Accomplishments
<b>Reduce Under-representation and Establish a Process to Sustain Diversity</b>	After a close look at the workforce composition, recruitment and retention trends, coupled with feedback from the affinity groups, Commerce identified areas for improvement in terms of the Department's overall strategy for recruiting, orienting, positioning, and retaining diverse employees.	<ul style="list-style-type: none"> <li>• Developed a business case for Workforce Diversity and Capacity.</li> <li>• Implemented the 90-Day High Impact Recruitment and Retention Plan under the leadership of the Deputy Assistant Secretary for Administration.</li> <li>• After launching the 90-Day High Impact Recruitment and Retention initiative in the fourth quarter of 2004, increased the overall Hispanic representation to 4.02%, up from 3.27%.</li> <li>• Implemented the Student Ambassador Program at four Minority Serving Institutions and Hispanic Serving Institutions.</li> <li>• Have a cadre of Corporate Recruiters who perform recruitment activities that target the 20 identified MCOs for the Department. This corporate approach promotes the Commerce-brand as an "employer of choice."</li> </ul>
<b>Performance Appraisal Plans Link, Differentiate, and Provide Consequences</b>	The results of OPM's FY 2002 Federal Human Capital Survey indicated that 90% of employees believed that the Department's performance management systems provide clarity to employees and managers on how their jobs link to the agency's mission. Building on this premise, the Department focused on strengthening a high-performance culture and cascading Departmental goals to operating unit, division, and individual performance.	<ul style="list-style-type: none"> <li>• Received provisional certification for the SES performance management system.</li> <li>• Standardized all SES plans to hold all senior executives accountable for high performance in leadership and customer service.</li> <li>• Linked 100% of SES plans to the agency mission and ensured meaningful distinctions in performance.</li> <li>• Engaged non-supervisory and supervisory employees in meaningful performance discussions to align specific responsibility and assignments to ensure achieving the organizational missions.</li> <li>• Established a cross-functional, performance management business team to develop a unified, performance management system for the Department.</li> <li>• Monitored the shift in the distribution of ratings as Commerce made better distinctions between high and low performance.</li> </ul>

Standard	Issue/Goal	Accomplishments
<b>Significant Reduction in Mission-Critical Skill Gaps</b>	<p>In Commerce’s initial 5-year Workforce Restructuring Plan, the 20 MCOs were identified by the bureaus; these MCOs were later validated by the Department. Bureaus took the lead in closing specific technical competencies and the Department took the lead in addressing gaps general, technical and leadership competencies. The criticality in addressing these gaps is that if not addressed, would seriously impact the Department’s capacity to perform.</p>	<ul style="list-style-type: none"> <li>• Employed a four-pronged strategy for reducing mission-critical gaps, which consisted of:               <ol style="list-style-type: none"> <li>(1) Using Voluntary Early Retirement Authority (VERA) and Voluntary Separation Incentive Payments (VSIPs) to eliminate obsolete or redundant competencies and prepare to acquire emerging competencies.</li> <li>(2) Using HR flexibilities such as recruitment and relocation bonuses, and retention allowances to strengthen the pipeline by hiring at the entry and mid-levels.</li> <li>(3) Delivering advanced training opportunities to retain talented employees.</li> <li>(4) Using succession planning to close leadership gaps.</li> </ol> </li> <li>• Results of closing gaps:               <ul style="list-style-type: none"> <li>---Closed the gap in 6 of the 20 MCOs (30%)</li> <li>---Narrowed the gap in 2 of the 20 (10%)</li> <li>---Lessened the gap in 10 of 20 (50%)</li> <li>---Prioritized 2 of 20 of the MCOs as requiring significant effort and resources to close the gap (10%).</li> </ul> </li> </ul>

Standard	Issue/Goal	Accomplishments
<b>Reduce hiring timelines</b>	The Department's hiring cycle reached an average of 146 days. Managers satisfaction was low with the COOL automated hiring system.	<ul style="list-style-type: none"> <li>Implemented the 45 day hiring model allocating 20 days for human resources processing and 25 day for managers to review the certificate, interview and make selection decisions.</li> <li>Acquired and implemented a new Automated Commerce Employment System (ACES).</li> <li>Results               <ul style="list-style-type: none"> <li>---Reduced the hiring cycle time from 146 days to 31 days</li> <li>---Implemented and deployed the ACES Department-wide on schedule and on-budget</li> </ul> </li> </ul>
<b>Establish and Implement an Accountability System</b>	In the Department's ongoing efforts to implement the PMA, it identified systems, programs, and practices that continue to ensure the Department's strategic goals and mission are achieved. The human capital accountability system includes oversight for strategic alignment, effective programs, efficient processes and practices, and legal compliance.	<ul style="list-style-type: none"> <li>Met all 6 human capital targets for the GPRA metrics in the Annual Performance Plan for FY 2004.</li> <li>Designed a system of performance metrics for the Office of Human Resources Management to link human capital measures to support accomplishment of the Department's mission and identify areas for corrections.</li> <li>Identified the need for an procured an automated Employee Notification and Accountability System in response to deficiencies noted in a Continuity of Operations Readiness exercise.</li> <li>Conducted oversight reviews to examine compliance with Departmental policies, delegated authorities, and statutory and regulatory requirements.</li> <li>The bureaus use the Executive Branch Scorecard to report quarterly to the Department on human capital initiatives.</li> <li>Reduced hiring cycle times from 146 days to 31 days.</li> </ul>

